



Ancillary Document Review Supplement
(This form must be filled out electronically.)

This form is to be used when reviewing interpretive and/or policy statement(s) in conjunction with the review of a rule.

Interpretive and/or policy statements are issued by the Department of Revenue under authority of RCW 34.05.230. These statements explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. These statements include documents such as Excise Tax Advisories (ETAs), Property Tax Advisories (PTAs), and Interim Audit Guidelines (IAGs).

All responses should be in **bold** format.

Interpretive or policy statement(s) being reviewed (provide number and title):

ETA 019.04.194 (Engaging in business within the state)

Date issued: **July 1, 1966**

Reviewer: **Alan R. Lynn**

Date reviewed: **March 4, 2004**

This review is in conjunction with the review of the following rule(s) (provide WAC number(s) and title(s)): **WAC 458-20-194 (Doing business inside and outside the state).**

Briefly explain the subject matter of the document(s): **Explains that a contractor that was domiciled outside Washington was subject to tax, since the contractor had two employees permanently assigned to Washington facilities to maintain government-owned test equipment. The maintenance of test equipment within the state constitutes a business situs, which is a sufficient nexus to support the imposition of a business tax. There is no requirement for B&O taxes that the taxpayer hold itself out to the public to be considered to be "engaging in business" as contemplated in RCW 82.04.150.**

Type an "X" in the column that most correctly answers the question, and provide clear, concise, and complete explanations where needed.

YES	NO	
X		Is the document written and organized in a clear and concise manner?
X		Are citations to other rules, laws, or other authority accurate? (If no, identify the incorrect citation below and provide the correct citation.)
	X	Does the document provide information not currently in a rule, other interpretive or policy statement, or WTD?
	X	Is the document providing the result(s) that it was originally designed to achieve?

If the answer is "no" to any of the questions above, provide a brief explanation for that response.



This document is no longer needed. The Department has issued many other documents that provide guidance regarding when a taxpayer has established nexus with Washington. (See rule review for WAC 458-20-194.) There is also no need for this document's explanation that there is no requirement that a taxpayer hold itself out to the public to be subject to tax by Washington.

Review Recommendation:

- _____ **Amend**
- X** **Cancel** (Appropriate when action is not conditioned upon another rule-making action or issuance of an interpretive or policy statement.)
- _____ **Leave as is** (Appropriate even if the recommendation is to incorporate the current information into another rule.)

Briefly explain your recommendation:

This document is no longer needed.

Manager action: Date: April 30, 2004

 AL Reviewed and accepted recommendation